

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

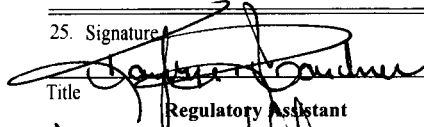

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0343</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC.</b>		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
3a. Address <b>P.O. Box 1815 Vernal, UT 84078</b>		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 712-07</b>
3b. Phone No. (include area code) <b>435-781-9111</b>		9. API Well No. <b>43-047-38062</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>SW NW 1826 FNL 600 FWL (LOT 2) 40.052842 LAT 109.376772 LON</b> At proposed prod. zone <b>SAME 638513X 4434678Y 40.052842 -109.376130</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>18.4 MILES EAST OF OURAY, UTAH</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SEC. 7, T9S, R23E S.L.B.&amp;M</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>600'</b>	16. No. of acres in lease <b>632</b>	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>1450'</b>	19. Proposed Depth <b>7575'</b>	20. BLM/BIA Bond No. on file <b>NM 2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4859 GL</b>	22. Approximate date work will start*	23. Estimated duration <b>45 DAYS</b>

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM.             |

25. Signature 	Name (Printed Typed) <b>Kaylene R. Gardner</b>	Date <b>04/28/2006</b>
Title <b>Regulatory Assistant</b>		
Approved by (Signature) 	Name (Printed Typed) <b>BRADLEY G. HILL</b>	Date <b>05-08-07</b>
Title <b>ENVIRONMENTAL MANAGER</b>		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

Federal Approval of this  
Action is Necessary

RECEIVED

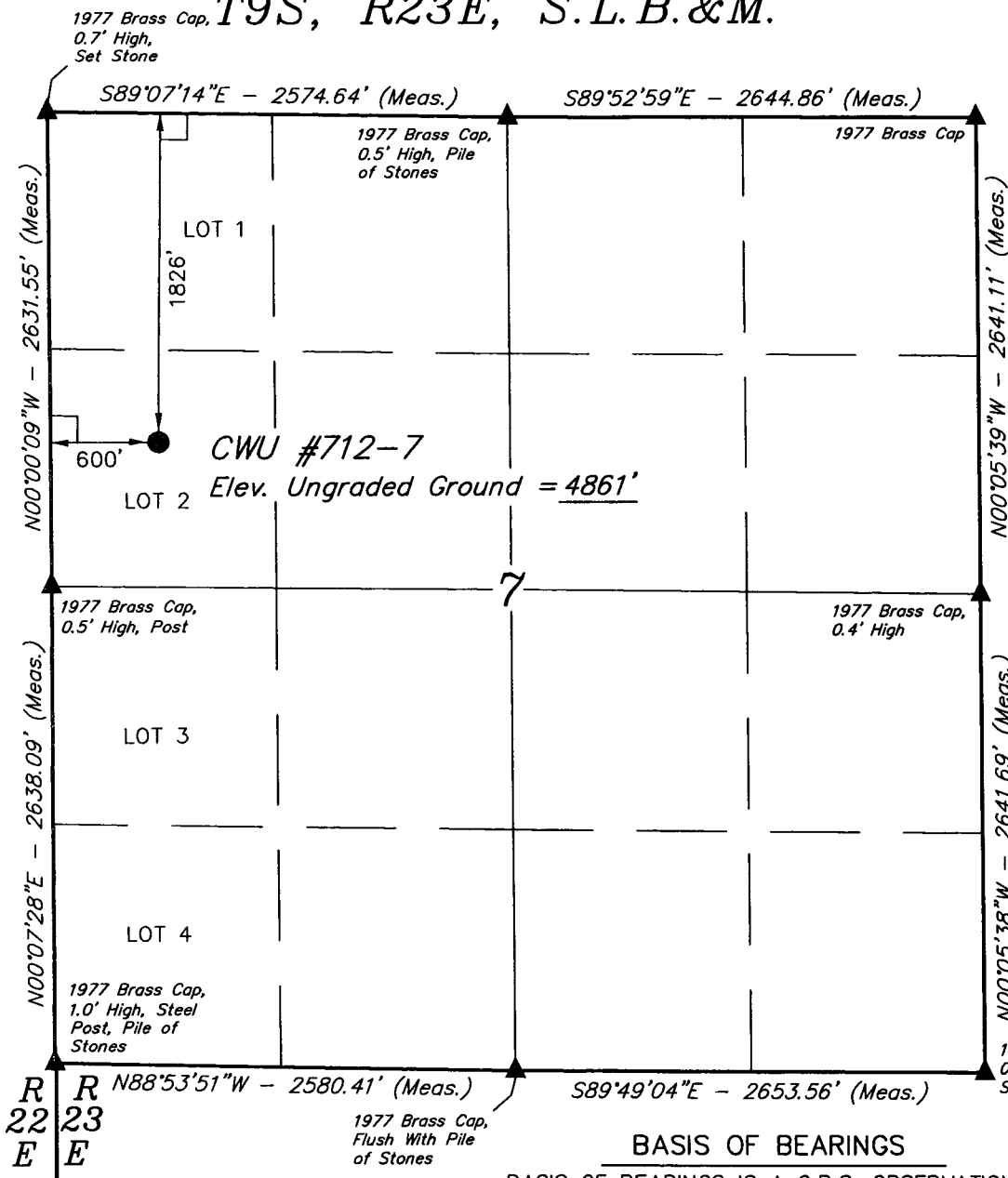
MAY 03 2006

DIV. OF OIL, GAS & MINING

**T9S, R23E, S.L.B.&M.**

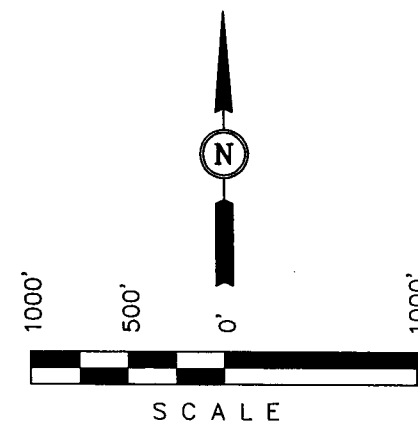
**EOG RESOURCES, INC.**

Well location, CWU #712-7, located as shown in the LOT 2 of Section 7, T9S, R23E, S.L.B.&M. Uintah County, Utah.



**BASIS OF ELEVATION**

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*[Signature]*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)  
LATITUDE = 40°03'10.23" (40.052842)  
LONGITUDE = 109°22'36.38" (109.376772)  
(NAD 27)  
LATITUDE = 40°03'10.36" (40.052878)  
LONGITUDE = 109°22'33.93" (109.376092)

**LEGEND:**

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

**UINTAH ENGINEERING & LAND SURVEYING**

**85 SOUTH 200 EAST - VERNAL, UTAH 84078**

**(435) 789-1017**

SCALE 1" = 1000'	DATE SURVEYED: 02-21-06	DATE DRAWN: 03-07-06
PARTY G.S. T.C. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160  
(UT-922)

May 8, 2006

**Memorandum**

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Chapita Wells Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Price River)

43-047-38080 CWU	713-07 Sec 07 T09S R23E 2101 FSL 0635 FWL	
43-047-38062 CWU	712-07 Sec 07 T09S R23E 1826 FNL 0600 FWL	
43-047-38063 CWU	1234-20 Sec 20 T09S R23E 0643 FSL 0844 FEL	
43-047-38064 CWU	1233-20 Sec 20 T09S R23E 2071 FSL 2127 FEL	
43-047-38065 CWU	1232-20 Sec 20 T09S R23E 2151 FSL 1933 FWL	
43-047-38078 CWU	1237-21 Sec 21 T09S R23E 0689 FSL 1724 FEL	
43-047-38066 CWU	1236-21 Sec 21 T09S R23E 2423 FSL 0778 FEL	
43-047-38067 CWU	1238-22 Sec 22 T09S R23E 2150 FNL 2310 FEL	
43-047-38085 CWU	1041-22 Sec 22 T09S R22E 1585 FNL 0240 FWL	
43-047-38076 CWU	1239-28 Sec 28 T09S R23E 0470 FNL 0777 FEL	
43-047-38077 CWU	1240-28 Sec 28 T09S R23E 1964 FNL 1999 FEL	
43-047-38079 CWU	1083-30 Sec 30 T09S R23E 0579 FNL 2349 FWL	
43-047-38084 CWU	447-10 Sec 10 T09S R22E 2047 FNL 1911 FWL	
43-047-38083 CWU	975-12 Sec 12 T09S R22E 1635 FSL 0363 FWL	
43-047-38081 CWU	1074-25 Sec 25 T09S R22E 1792 FSL 0974 FEL	
43-047-38082 CWU	1077-25 Sec 25 T09S R22E 0460 FSL 1970 FEL	

This office has no objection to permitting the wells at this time.  
/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 712-07** **SW/NW, SEC. 07, T9S, R23E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

#### **1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,905'
C-Zone	2,220'
Mahogany Oil Shale Bed	2,572'
Middle Carb Bed	3,366,
Castle Peak MBR	4,448'
Uteland Butte MBR	4,727'
Wasatch	4,894'
Chapita Wells	5,481'
Buck Canyon	6,169'
North Horn	6,772'
Island	7,209'
KMV Price River	7,371'

Estimated TD: **7,575' or 200'± below Sego top**

**Anticipated BHP: 4,135 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### **3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

#### **4. CASING PROGRAM:**

	<b>HOLE SIZE</b>	<b>INTERVAL</b>	<b>SIZE</b>	<b>WEIGHT</b>	<b>GRADE</b>	<b>THREAD</b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
<b>Conductor:</b>	17 ½"	0' – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production:</b>	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note:** 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.  
**All casing will be new or inspected.**

#### **5. Float Equipment:**

##### **Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 712-07**  
**SW/NW, SEC. 07, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**Float Equipment: (Cont'd)**

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

**8. EVALUATION PROGRAM:**

<b>Logs:</b>	Mud log from base of surface casing to TD.
<b>Cased-hole Logs:</b>	Cased-hole logs will be run in lieu of open-hole logs consisting of the following: <b>Cement Bond / Casing Collar Locator and Pulsed Neutron</b>

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 712-07**  
**SW/NW, SEC. 07,T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:**       **148 sks:** 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:**       **545 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:**       The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.  
**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 712-07**  
**SW/NW, SEC. 07, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

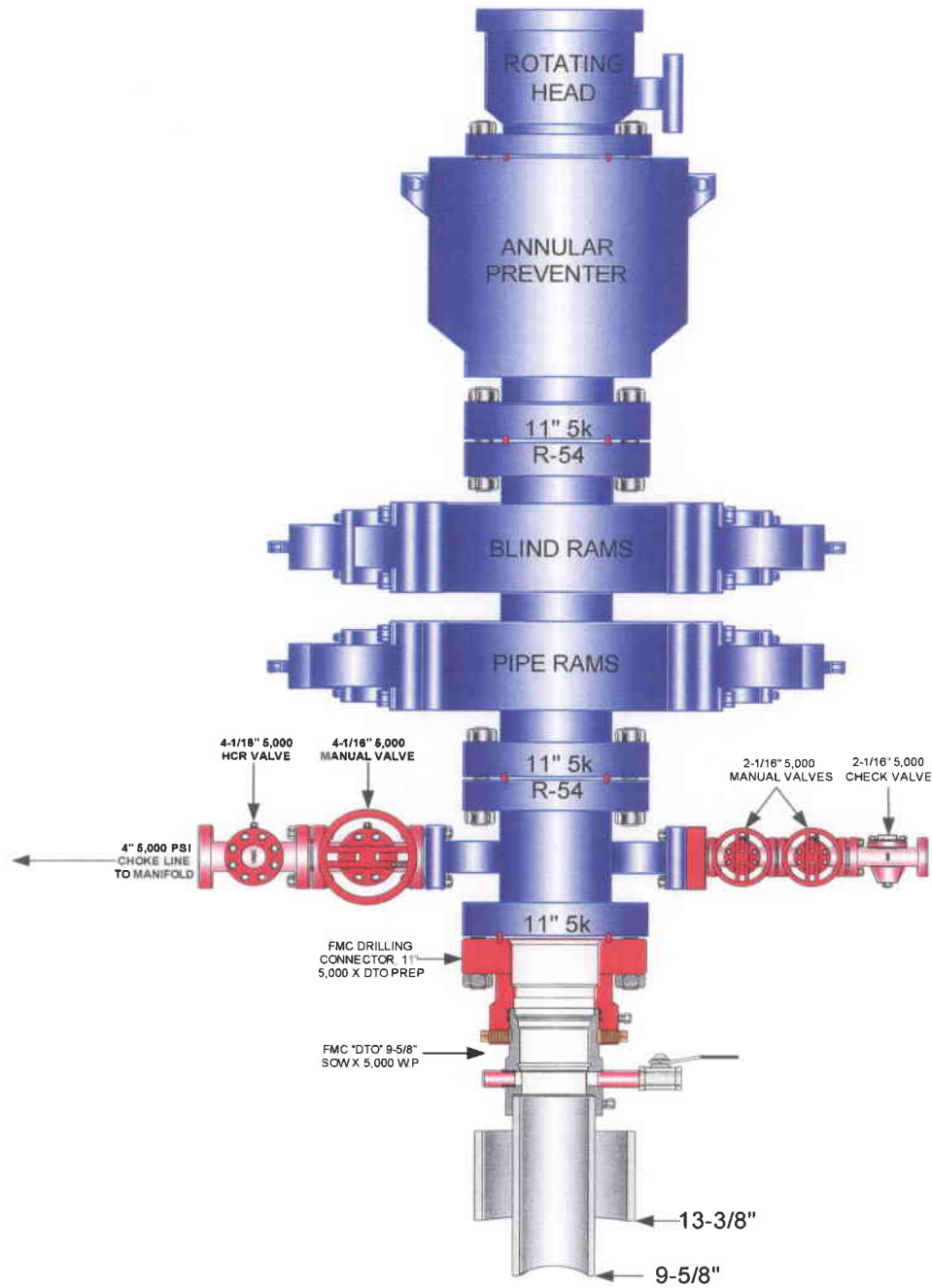
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

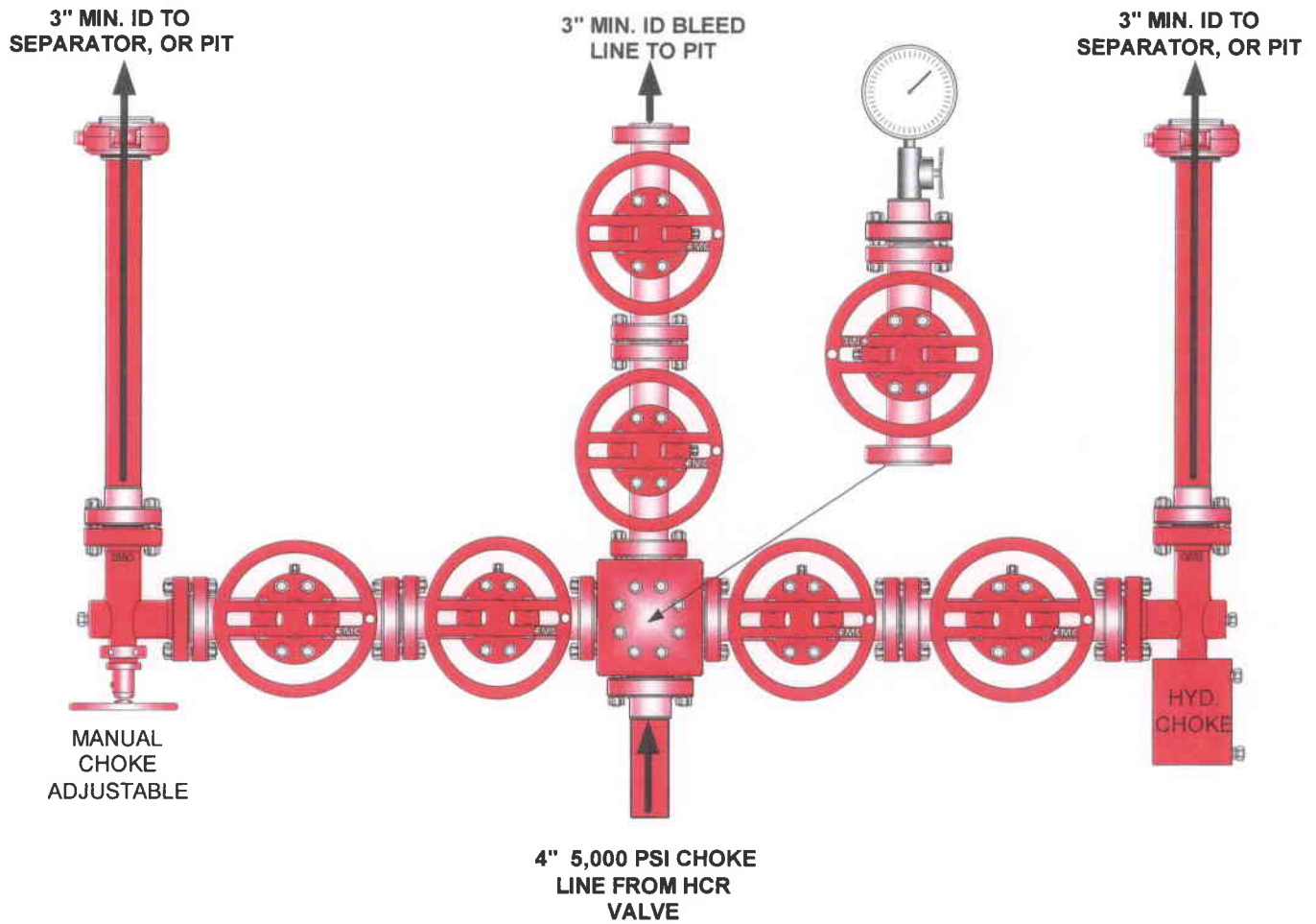
PAGE 1 OF 2





# EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF



## Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



**CHAPITA WELLS UNIT 712-07  
LOT 2, Section 7, T9S, R23E  
Uintah County, Utah**

***SURFACE USE PLAN***

**NOTIFICATION REQUIREMENTS**

Location Construction:	Forty-eight (48) hours prior to construction of location and access roads.
Location Completion:	Prior to moving on the drilling rig.
Spud Notice:	At least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing:	Twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and related Equipment Tests:	Twenty-four (24) hours prior to running casing and tests.
First Production Notice:	Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.**

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately 0.36 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.20 acres. The pipeline is approximately 1651 feet long within Federal Lease U-0343 disturbing approximately 1.52 acres.

**1. EXISTING ROADS:**

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 18.4 miles east of Ouray, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

**2. PLANNED ACCESS ROAD:**

- A. The access road will be approximately 528' long and will be completed as a single lane, 16' wide, 30' sub-grade, crowned road w/1-18"x40' and 1-24"x40' CMP. See attached Topo Map "B".
- B. Maximum grade of the new access road will be 8 percent.
- C. No turnouts will be required.
- D. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- E. No culverts, bridges, or major cuts and fills will be required.
- F. The access road will be dirt surface.
- G. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined – flagged at time of location staking.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

**3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

- A. Abandoned Wells – 2\*
- B. Producing Wells – 17\*
- C. Shut-in Wells – 2\*

(See attached TOPO map "C" for the location of wells within a one-mile radius.)

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, one (1) 300 BBL vertical tank or two (2) 400 BBL vertical tanks and attaching piping.
- 2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. The length of the new proposed pipeline is 1651' x 40'. The proposed pipeline leaves the northern edge of the well pad, Lot 2, Section 7, T9S, R23E (U-0343) turning and proceeding in a westerly direction for an approximate distance of 1651'. The pipe will tie into existing pipeline located in the SENE of Section 12, T9S, R22E (U-0281).
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface
- 4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

A high water crossing will be constructed 100' west of the location w/1-24" x 40' CMP.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501. Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

#### **8. ANCILLARY FACILITIES:**

None anticipated.

#### **9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the west corner of the location. The flare pit will be located downwind of the prevailing wind direction on the southeast side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil south of corner #5. The stockpiled location topsoil will be stored between corners #8 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Producing Location**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Hi-Crest Crested Wheatgrass	9.0
Kocha Pastrata	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

***B. Dry Hole/Abandoned Location***

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Needle and Thread Grass	2.0
Four-wing Salt Bush	3.0
Indian Rice Grass	2.0
Hi-Crest Crested Wheat Grass	1.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

**12. OTHER INFORMATION:**

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or



archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources and paleontology survey will be conducted and submitted by Montgomery Archaeological Consultants.

**Additional Surface Stipulations:**

No construction, or drilling activities shall be conducted May 15<sup>th</sup> through June 20<sup>th</sup> due to Antelope stipulations.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Kaylene R. Gardner  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, Ut 84078  
(435) 781-9111

**DRILLING OPERATIONS**

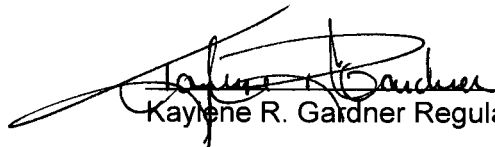
Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 712-07 Well, located in Lot 2, of Section 7, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

April 28, 2006

Date



Kaylene R. Gardner Regulatory Assistant

# EOG RESOURCES, INC.

**CWU #712-7**

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 7, T9S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

## LOCATION PHOTOS

**03** **08** **06**  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: L.K.

REVISED: 00-00-00

# EOG RESOURCES, INC.

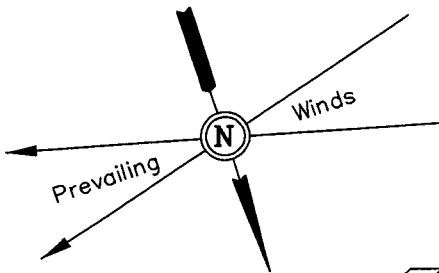
## LOCATION LAYOUT FOR

CWU #712-7

SECTION 7, T9S, R23E, S.L.B.&M.

1826' FNL 600' FWL

Proposed Access Road



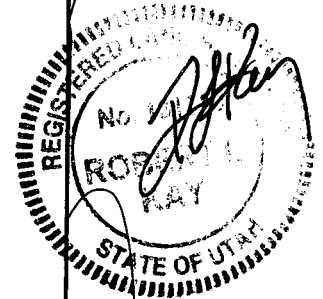
SCALE: 1" = 50'  
DATE: 03-06-06  
Drawn By: S.L.

Approx.  
Top of  
Cut Slope

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.

Reserve Pit Backfill  
& Spoils Stockpile



FLARE PIT

20' WIDE BENCH

46'

75'

Total Pit Capacity  
W/2' Of Freeboard  
= 12,250 Bbls. ±  
Total Pit Volume  
= 3,320 Cu. Yds.

RESERVE PITS  
(12' Deep)

SLOPE = 1-1/2 : 1

15' WIDE BENCH

147'

El. 63.1'  
C-16.1'  
(btm. pit)

Reserve Pit Backfill  
& Spoils Stockpile

F-0.4'  
El. 58.6'

F-1.8'  
El. 57.2'

Approx.  
Toe of  
Fill Slope

F-2.1'  
El. 56.9'

Sta. 0+00

Sta. 0+50

Sta. 1+50

F-0.9'  
El. 58.1'

Topsail Stockpile

STORAGE TANK

FUEL

TOILET

TRAILER

FUEL

TOOLS

POWER

HOPPER

MUD SHED

PUMP

WATER

RIG

DOG HOUSE

C-1.6'  
El. 60.6'

C-0.2'  
El. 59.2'

CATWALK

175'

F-2.1'  
El. 56.9'

C-2.9'  
El. 61.9'

F-3.4'  
El. 55.6'

Sta. 3+25

### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4860.6'

FINISHED GRADE ELEV. AT LOC. STAKE = 4859.0'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# EOG RESOURCES, INC.

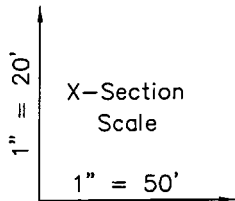
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

CWU #712-7

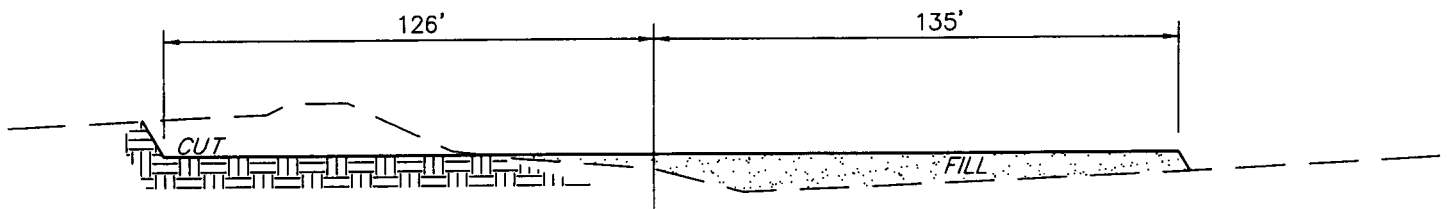
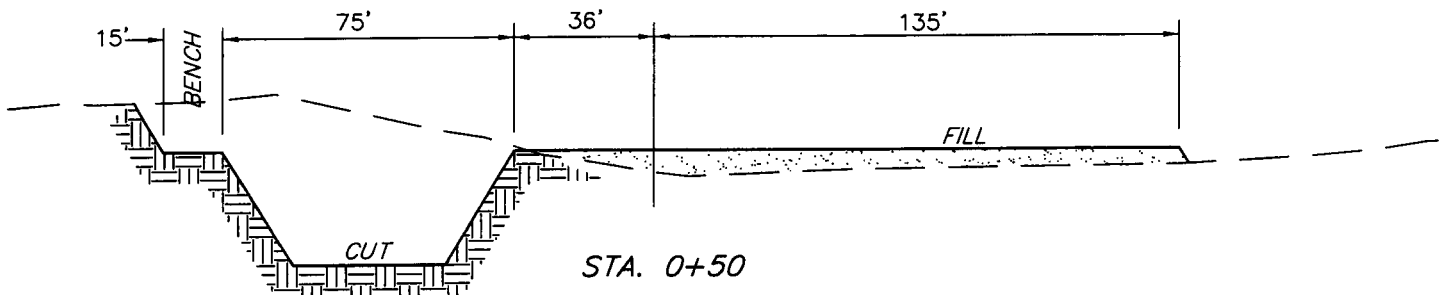
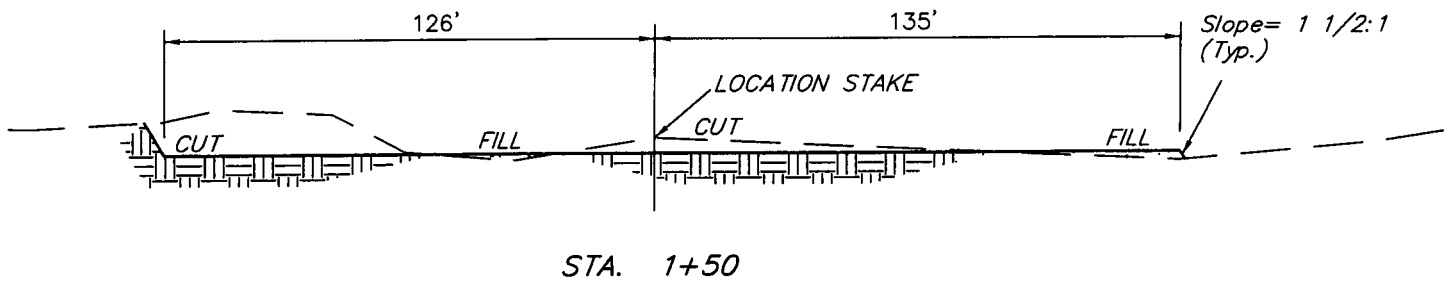
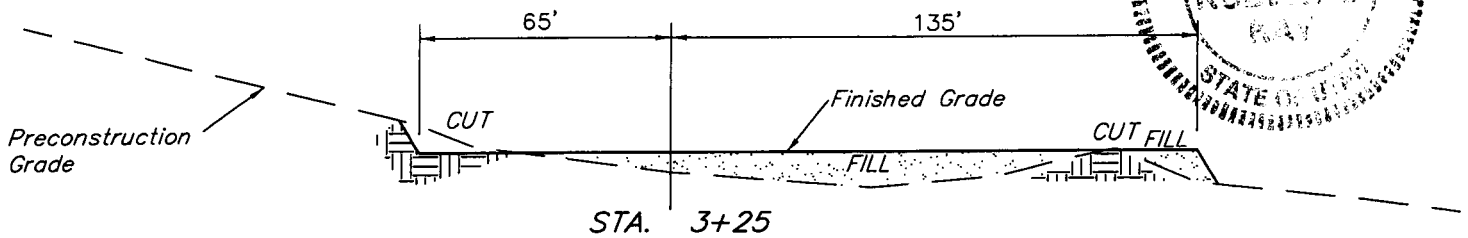
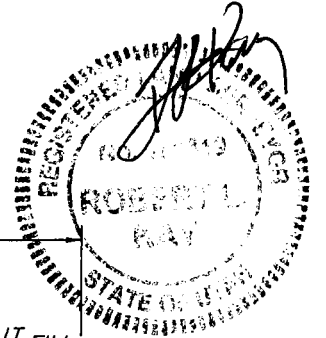
SECTION 7, T9S, R23E, S.L.B.&M.

1826' FNL 600' FWL



DATE: 03-06-06

Drawn By: S.L.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### \* NOTE:

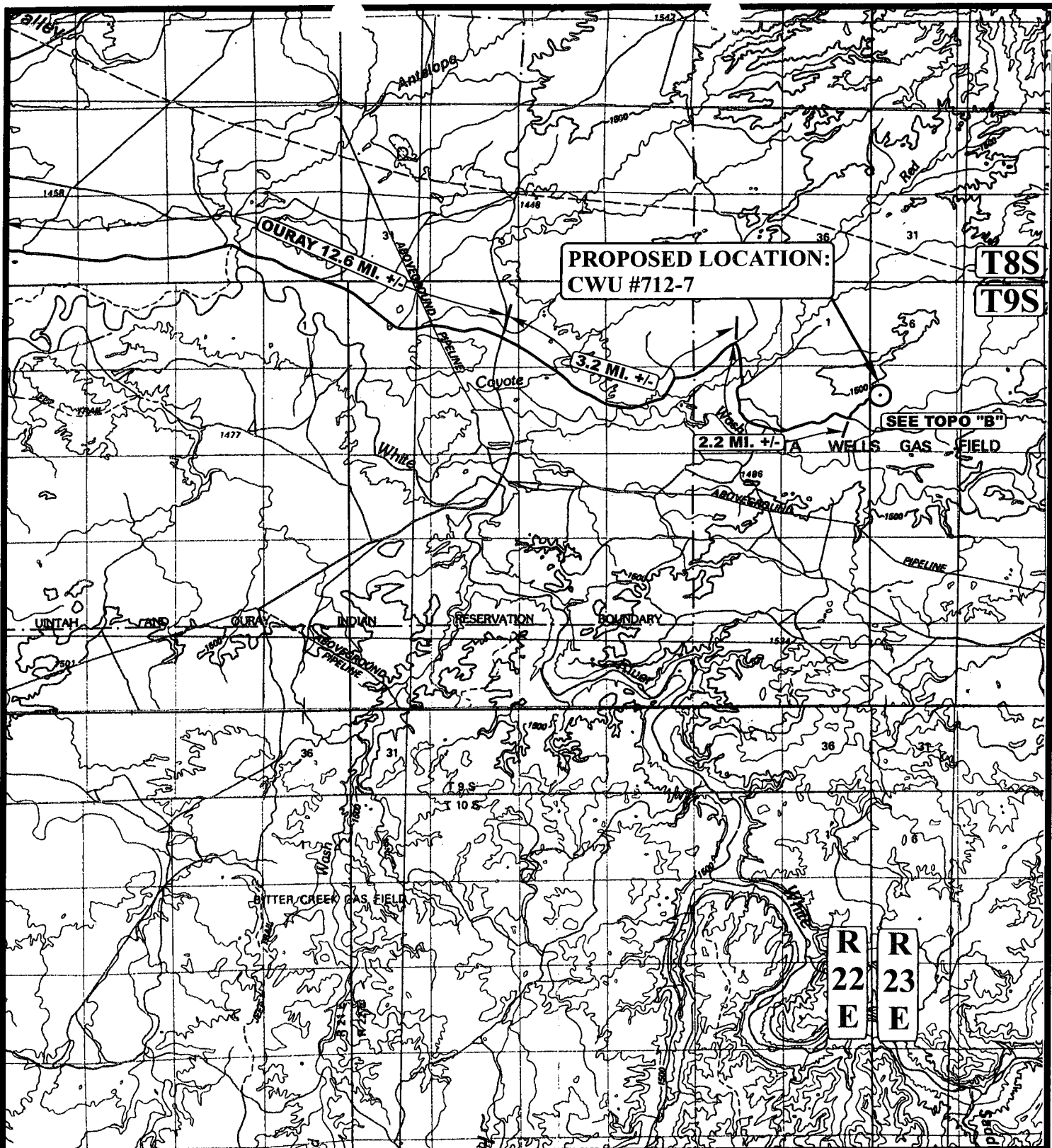
FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,560 Cu. Yds.
Remaining Location	= 5,310 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 6,870 CU.YDS.</b>
<b>FILL</b>	<b>= 3,650 CU.YDS.</b>

EXCESS MATERIAL	= 3,220 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,220 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



# **LEGEND:**

⊙ PROPOSED LOCATION

**EOG RESOURCES, INC.**

CWU #712-7

SECTION 7, T9S, R23E, S.L.B.&M.

1826' FNL 600' FWL



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



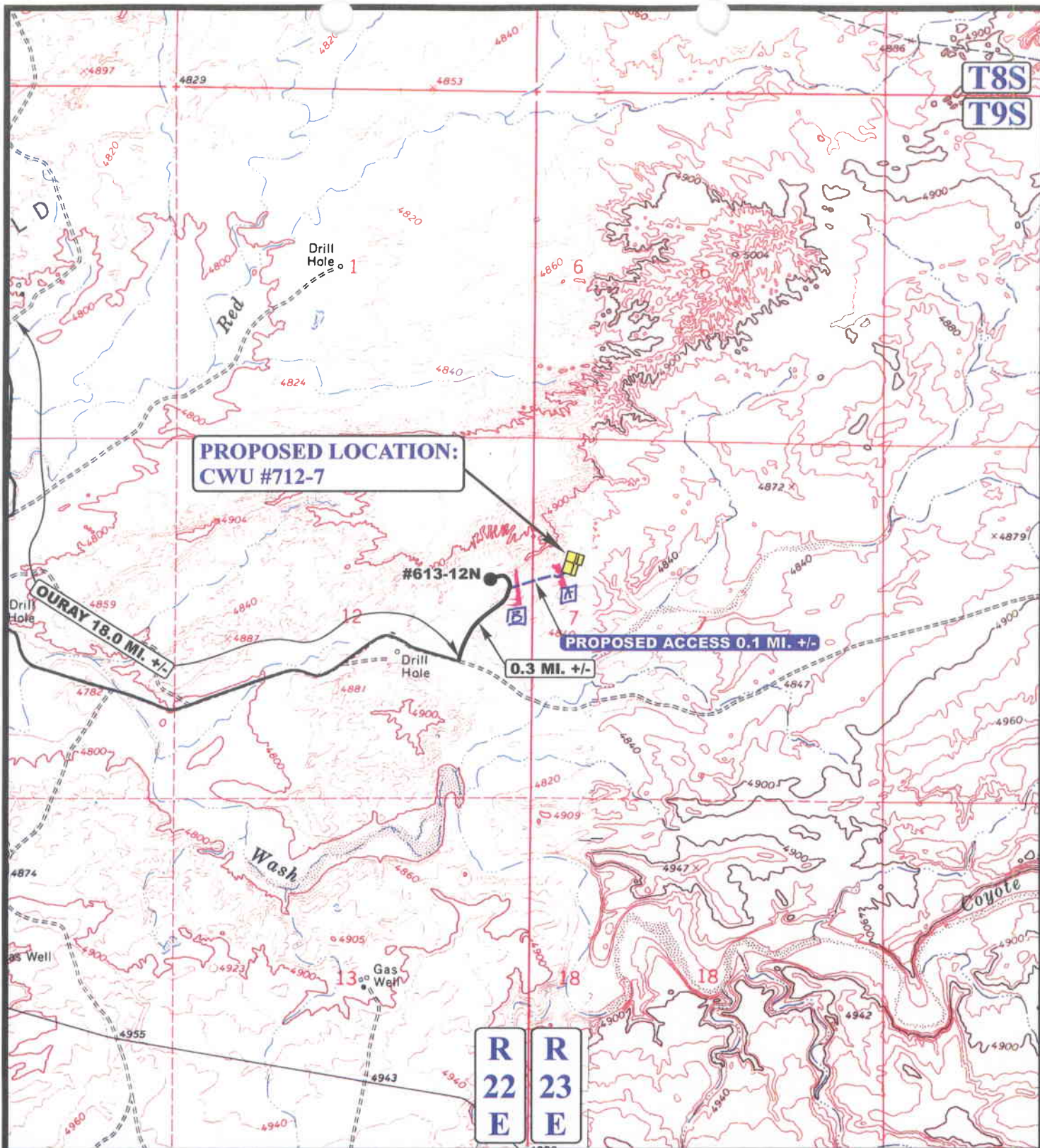
**TOPOGRAPHIC**  
MAP

**03 08 06**  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00







**LEGEND:** A 1-18 x 40 CMP  
B 1-24 x 40 CMP

--- PROPOSED ACCESS ROAD  
— EXISTING ROAD

**EOG RESOURCES, INC.**

**CWU #712-7**

**SECTION 7, T9S, R23E, S.L.B.&M.**

**1826' FNL 600' FWL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



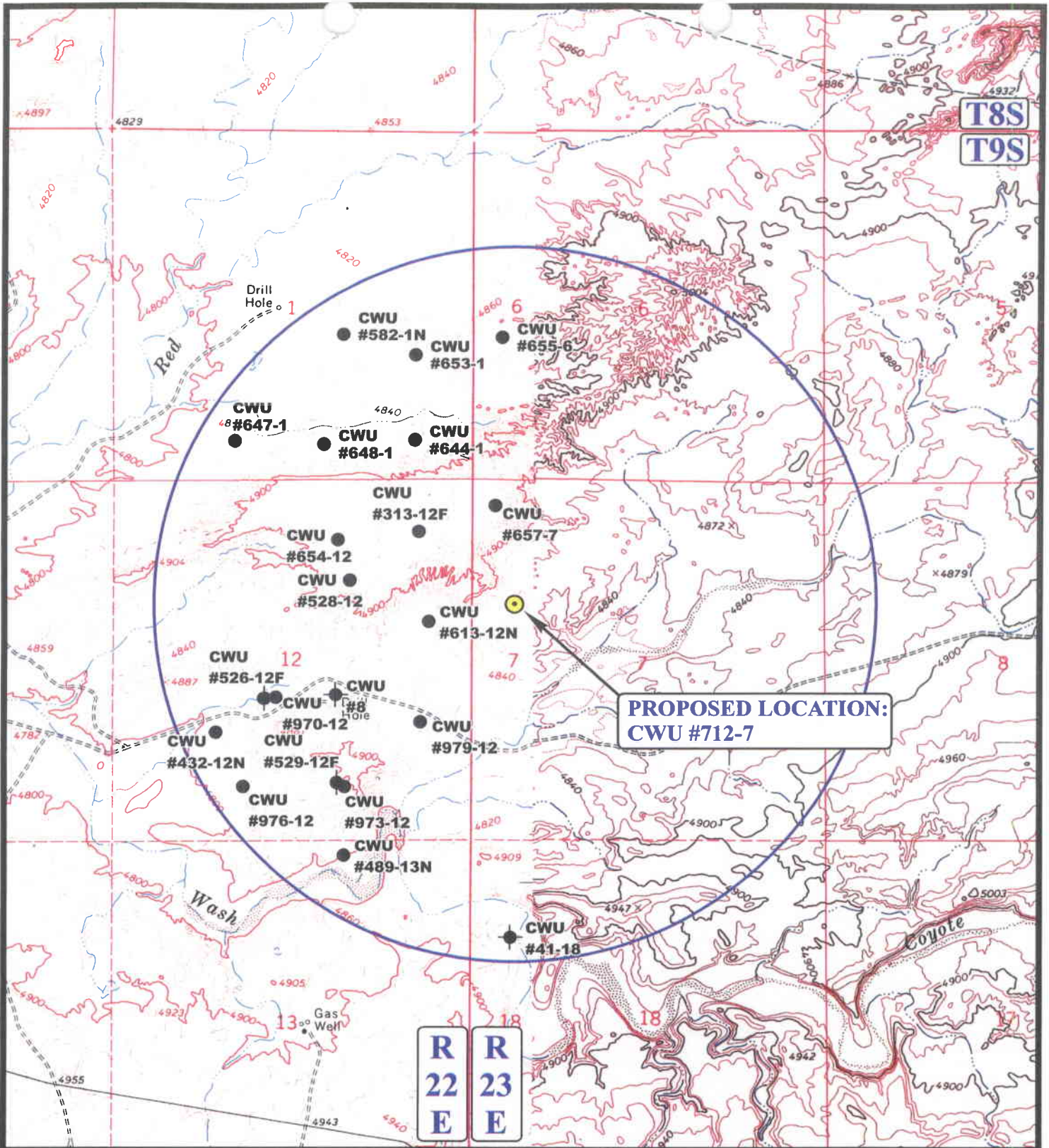
**TOPOGRAPHIC  
MAP**

**03 08 06**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00

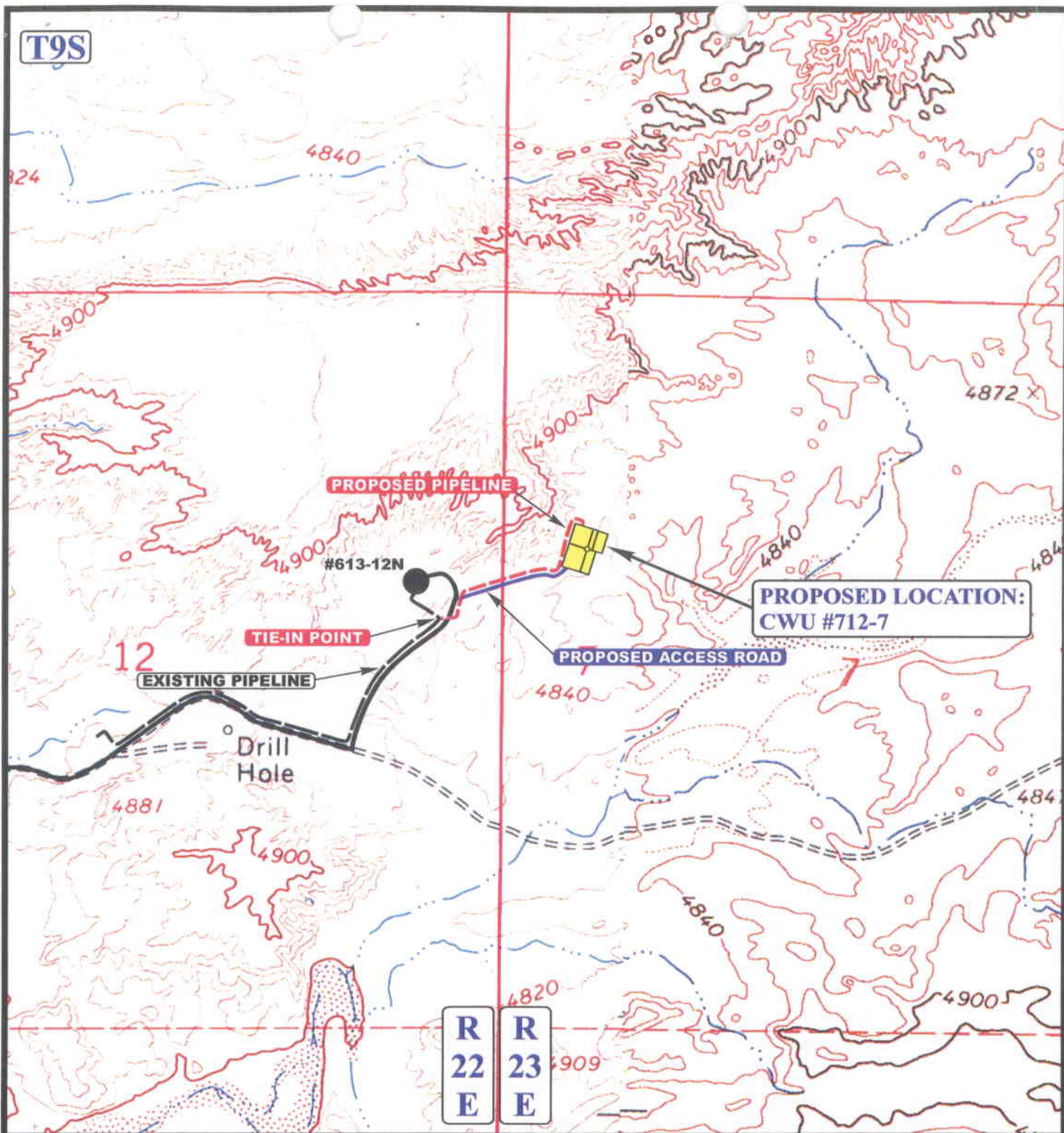








**T9S**



**APPROXIMATE TOTAL PIPELINE DISTANCE = 1,651' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)

**EOG RESOURCES, INC.**

**CWU #712-7**

**SECTION 7, T9S, R23E, S.L.B.&M.**

**1826' FNL 600' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP**

**12 27 00**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 00-00-00



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/03/2006

API NO. ASSIGNED: 43-047-38062

WELL NAME: CWU 712-07

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SWNW 07 090S 230E

SURFACE: 1826 FNL 0600 FWL

BOTTOM: 1826 FNL 0600 FWL

COUNTY: UINTAH

LATITUDE: 40.05287 LONGITUDE: -109.3761

UTM SURF EASTINGS: 638513 NORTHINGS: 4434678

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0343

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM 2308 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-1501 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

☐ R649-2-3.  
Unit: CHAPITA WELLS  
☐ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☐ R649-3-3. Exception  
☒ Drilling Unit  
Board Cause No: 179-8  
Eff Date: 8-10-1999  
Siting: Suspended Gen. Siting  
☐ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1-Federal Approval

T9S R22E T9S R23E

CWU 657-7

# NATURAL BUTTES FIELD CHAPITA WELLS UNIT

CAUSE: 179-8 / 8-10-1999

CWU 712-07

CWU 713-07

CWU 1230-07

CWU 1231-07

CWU 1047-7

CWU 1142-18

CWU 1147-18

CWU 60-18

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 7 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

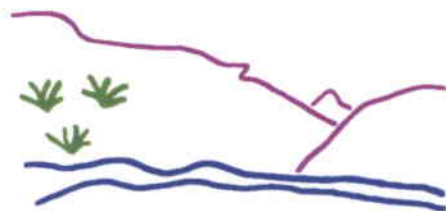
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

**Field Status**  
 ABANDONED  
 ACTIVE  
 COMBINED  
 INACTIVE  
 PROPOSED  
 STORAGE  
 TERMINATED

**Unit Status**  
 EXPLORATORY  
 GAS STORAGE  
 NF PP OIL  
 NF SECONDARY  
 PENDING  
 PI OIL  
 PP GAS  
 PP GEOTHERML  
 PP OIL  
 SECONDARY  
 TERMINATED

**Wells Status**  
 GAS INJECTION  
 GAS STORAGE  
 LOCATION ABANDONED  
 NEW LOCATION  
 PLUGGED & ABANDONED  
 PRODUCING GAS  
 PRODUCING OIL  
 SHUT-IN GAS  
 SHUT-IN OIL  
 TEMP. ABANDONED  
 TEST WELL  
 WATER INJECTION  
 WATER SUPPLY  
 WATER DISPOSAL  
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 5-MAY-2006



## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 8, 2006

EOG Resources, Inc.  
P O Box 1815  
Vernal, UT 84078

Re: Chapita Wells Unit 712-07 Well, 1826' FNL, 600' FWL, SW NW, Sec. 7,  
T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38062.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** EOG Resources, Inc.  
**Well Name & Number** Chapita Wells Unit 712-07  
**API Number:** 43-047-38062  
**Lease:** U-0343

**Location:** SW NW                      **Sec.** 7                      **T.** 9 South                      **R.** 23 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

# RECEIVED

Form 3160-3  
(February 2005)

MAY - 1 2006

BLM VERNAL, UTAH UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR REENTER

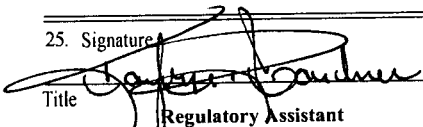
FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

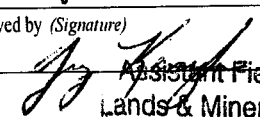
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0343
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
3a. Address P.O. Box 1815 Vernal, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 712-07
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-38062
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1826 FNL 600 FWL (LOT 2) 40.052842 LAT 109.376772 LON At proposed prod. zone SAME		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 18.4 MILES EAST OF OURAY, UTAH		11. Sec., T. R. M. or Blk. and Survey or Area SEC. 7, T9S, R23E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 600'	16. No. of acres in lease 632	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1450'	13. State UT
19. Proposed Depth 7575'	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4859 GL	22. Approximate date work will start*	23. Estimated duration 45 DAYS

### 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 04/28/2006
Title Regulatory Assistant		

Approved by (Signature) 	Name (Printed Typed) JERRY KENCZKA	Date 10-4-2006
Title Assistant Field Manager Lands & Mineral Resources		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

## CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

## NOTICE OF APPROVAL

# UBOGM

# RECEIVED

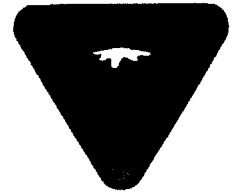
OCT 23 2006

DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources, Inc.  
Well No: CWU 712-07  
API No: 43-047-38062

Location: LOT 2, Sec 7, R9S, T23E  
Lease No: UTU-0343  
Agreement: Chapita Wells Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- |   |   |  |
|---|---|--|
| Location Construction<br>(Notify Paul Buhler)           | - | Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Paul Buhler)             | - | Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify Michael Lee)                     | - | Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Jamie Sparger)     | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify Michael Lee)         | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |



***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the re-spreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:  
9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.
2. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.
3. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO).
4. Construct High water crossing as needed (see company's on site notes).

### ***DOWNHOLE CONDITIONS OF APPROVAL***

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

#### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe. To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in application.
2. Cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
7. The lessee/operator must report encounters of all non oil & gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
9. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be

filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

**Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

11. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing

head gas, or natural gas and entrained liquid hydrocarbons).

- f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
15. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
16. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
17. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
18. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.ut.blm.gov/utah/vernal>



N REPLY REFER TO:

3160

UT08300

October 4, 2006

43-047-38062

Kaylene Gardner  
EOG Resources, Inc.  
1060 East Highway 40  
Vernal, Utah 84078

Re: Well No. CWU 712-07  
LOT 2, Sec.7, T9S, R23E  
Uintah County, Utah  
Lease No. UTU-0343  
Chapita Wells Unit

Dear Ms. Gardner:

Enclosed are two (2) approved copies of the Application for Permit to Drill (APD) with attached Conditions of Approval for the above referenced well.

If you have any questions concerning APD processing, please contact me at (435) 781-4503.

Sincerely,

/s/ Sandra Sather

Sandra Sather  
Land Law Examiner

Enclosures

bcc: well file

~~reading file~~

RECEIVED  
OCT 23 2006  
DIV. OF OIL, GAS & MINING

## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 712-07

Api No: 43-047-38062 Lease Type: FEDERAL

Section 07 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

### **SPUDDED:**

Date 03/03/07

Time 1:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 03/05/07 Signed CHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550  
Address: 600 17th Street  
city Denver  
state CO zip 80202 Phone Number: (303) 262-2812

**Well 1**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-38038	CHAPITA WELLS UNIT 1230-7	NESW	7	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15967	3/4/2007	3/12/07		
Comments: <u>PRRV = MVRD</u>						

**Well 2**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-38062	CHAPITA WELLS UNIT 712-7	SWNW	7	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15968	3/3/2007	3/12/07		
Comments: <u>PRRV = MVRD</u>						

**Well 3**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37856	EAST CHAPITA 17-17	SENE	17	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15969	3/5/2007	3/12/07		
Comments: <u>PRRV = MVRD</u>						

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

Title

3/6/2007

Date

**RECEIVED**

**MAR 07 2007**

(5/2000)

DIV. OF OIL, GAS & MINING



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-262-2812**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1,826' FNL & 600' FWL (SWNW)  
Sec. 7-T9S-R23E 40.052842 LAT 109.376772 LON**

5. Lease Serial No.  
**U-0343**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**Chapita Wells Unit**

8. Well Name and No.  
**Chapita Wells Unit 712-7**

9. API Well No.  
**43-047-38062**

10. Field and Pool, or Exploratory Area  
**Natural Buttes/Wasatch**

11. County or Parish, State  
**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Well spud</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**The referenced well spud on 3/3/2007.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Carrie MacDonald**

Title **Operations Clerk**

Signature

*Carrie MacDonald*

Date

**03/06/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**  
**MAR 07 2007**  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-262-2812**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1,826' FNL & 600' FWL (SWNW)  
Sec. 7-T9S-R23E 40.052842 LAT 109.376772 LON**

5. Lease Serial No.

**U-0343**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 712-7**

9. API Well No.

**43-047-38062**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Wasatch**

11. County or Parish, State

**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.**

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Carrie MacDonald**

Title **Operations Clerk**

Signature

*Carrie MacDonald*

Date

**03/06/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**  
**MAR 07 2007**  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1826' FNL & 600' FWL (SWNW)  
Sec. 7-T9S-R23E 40.052842 LAT 109.376772 LON**

5. Lease Serial No.

**U-0343**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 712-7**

9. API Well No.

**43-047-38062**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Wasatch**

11. County or Parish, State

**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**The referenced well was turned to sales on 7/7/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**07/11/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**JUL 13 2007**

**DIV. OF OIL, GAS & MINING**

# WELL CHRONOLOGY REPORT

Report Generated On: 07-11-2007

<b>Well Name</b>	CWU 712-07	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS	<b>API #</b>	43-047-38062	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	05-12-2007	<b>Class Date</b>	07-07-2007
<b>Tax Credit</b>	N	<b>TVD / MD</b>	7,575/ 7,575	<b>Property #</b>	059183
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,871/ 4,859				
<b>Location</b>	Section 7, T9S, R23E, SWNW, 1826 FNL & 600 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	50.0	<b>NRI %</b>	43.5

<b>AFE No</b>	304055	<b>AFE Total</b>	1,230,700	<b>DHC / CWC</b>	686,900/ 543,800
<b>Rig Contr</b>	ENSIGN	<b>Rig Name</b>	ENSIGN #81	<b>Start Date</b>	05-11-2006
<b>05-11-2006</b>	<b>Reported By</b>	SHARON WHITLOCK			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** LOCATION DATA

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
--------------	------------	------------	-----------------------------

06:00	06:00	24.0	LOCATION DATA
-------	-------	------	---------------

1826' FNL & 600' FWL (SW/NW)  
SECTION 7, T9S, R23E  
UINTAH COUNTY, UTAH

LAT 40.052878, LONG 109.376092, (NAD 27)

ENSIGN #81  
OBJECTIVE: 7575' TD, WASATCH  
DW/GAS  
CHAPITA WELLS PROSPECT  
DD&A: NATURAL BUTTES  
NATURAL BUTTES FIELD

LEASE: U-0343

ELEVATION: 4860.6' NAT GL, 4859.0' PREP GL ( DUE TO ROUNDING THE PREP GL IS 4859'), 4871' KB (12')

EOG WI 50%, NRI 43.5%

<b>02-21-2007</b>	<b>Reported By</b>	TERRY CSERE
-------------------	--------------------	-------------

<b>Daily Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,000
------------------------------	----------	-------------------	-----	--------------------	----------

<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b>	BUILDING LOCATION				

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	START CONSTRUCTION OF LOCATION.

02-22-2007      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b>	BUILD LOCATION				

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	ROCKED OUT.

02-23-2007      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b>	BUILD LOCATION				

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	DRILLING ON PIT.

02-26-2007      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b>	BUILD LOCATION				

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	SHOOTING TODAY.

02-27-2007      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b>	BUILD LOCATION				

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	PUSHING OUT PIT.

02-28-2007      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
------------------------------	-----	-------------------	-----	--------------------	-----

<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	PUSHING OUT PIT.

**03-01-2007**      **Reported By**      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILDING LOCATION</b>					

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	PUSHING OUT PIT.

**03-02-2007**      **Reported By**      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILDING LOCATION</b>					

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LINING PIT.

**03-05-2007**      **Reported By**      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	LOCATION COMPLETE.

**03-06-2007**      **Reported By**      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	40	<b>TVD</b>	40	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: WO AIR RIG</b>					

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 3/3/2007 @ 1:30 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 3/3/2007 @ 12:30 PM.

**04-20-2007**      **Reported By**      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$202,005	<b>Completion</b>	\$0	<b>Daily Total</b>	\$202,005
<b>Cum Costs: Drilling</b>	\$240,005	<b>Completion</b>	\$0	<b>Well Total</b>	\$240,005
<b>MD</b>	2,546	<b>TVD</b>	2,546	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #3 ON 3/4/2007. DRILLED 12-1/4" HOLE TO 2590' GL. ENCOUNTERED WATER @ 1970'. RAN 59 JTS (2533.20') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2546' KB. RDMO AIR RIG.

MIRU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 245 SX (50 BBLs) OF PREMIUM CEMENT W/2 % CaCl<sub>2</sub> & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX.

DISPLACED CEMENT W/ 192.3 BBLs FRESH WATER. BUMPED PLUG W/840# @ 9:35 AM, 3/8/2007. CHECKED FLOAT. FLOAT HELD. SHUT-IN CASING VALVE. NO CEMENT RETURNS.

TOP JOB # 1: MIXED & PUMPED 125 SX (25.6 BBLs) OF PREMIUM CEMENT W/2% CaCl<sub>2</sub> & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 5 MINUTES.

TOP JOB # 2: MIXED & PUMPED 130 SX (26.6 BBLs) OF PREMIUM CEMENT W/2% CaCl<sub>2</sub> & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS, 15 MINUTES.

TOP JOB # 3: MIXED & PUMPED 180 SX (36.8 BBLs) OF PREMIUM CEMENT W/2% CaCl<sub>2</sub> & 1/4#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

RAN SURVEY @ 2245', 1 DEGREES. TAGGED @ 2456'.

JOHN HELCO NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 3/7/2007 @ 9:30 PM.

05-11-2007      Reported By      DEMPSEY DAY

<b>Daily Costs: Drilling</b>	\$24,619	<b>Completion</b>	\$5,000	<b>Daily Total</b>	\$29,619
<b>Cum Costs: Drilling</b>	\$264,624	<b>Completion</b>	\$5,000	<b>Well Total</b>	\$269,624
<b>MD</b>	2,546	<b>TVD</b>	2,546	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: NU BOPE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	WAIT ON DAY LIGHT TO RIG DOWN AND MOVE WITH TRUCKS.
07:00	07:30	0.5	HELD SAFETY MEETING WITH RIG CREWS AND BOB JONES TRUCK DRIVERS. ON MOVING-RIG AND RIGGING UP.
07:30	02:00	18.5	RIG DOWN ON LOCATION, CHAPITA WELL UNIT-713-07 AND MOVE TO LOCATION CHAPITA-WELL UNIT 712-07. RIG UP WITH BOB JONES TRUCKS. TRUCKS RELEASED AROUND 17:30-



CONTINUE TO RIG UP WITH RIG CREWS.

02:00 06:00 4.0 NIPPLE UP B.O.P. STACK AND CHOKE MANIFOLD,

ENSIGN RIG # 81 ON DAY WORK AT 02:00--5/11/2007

B.L.M. AND THE STATE OF UTAH WERE CALLED ON TESTING B.O.P. EQUIPMENT AT 16:15--5/10/07, TALKED TO ANSWERING MACHINE WITH BOTH PARTIES.

TWO FULL CREWS, BOTH CREWS HELD SAFETY MEETINGS, RIGGING DOWN AND MOVING--AND RAISING DERRICK.

TOTAL FUEL--4743 GALS.

NO ACCIDENTS.

05-12-2007 Reported By DEMPSEY DAY

<b>Daily Costs: Drilling</b>	\$34,389	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,389
<b>Cum Costs: Drilling</b>	\$299,013	<b>Completion</b>	\$5,000	<b>Well Total</b>	\$304,013

<b>MD</b>	2.902	<b>TVD</b>	2.902	<b>Progress</b>	346	<b>Days</b>	1	<b>MW</b>	0.0	<b>Visc</b>	0.0
-----------	-------	------------	-------	-----------------	-----	-------------	---	-----------	-----	-------------	-----

<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
--------------------	-------------------	---------------	------------------------

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	FINISH NIPPLING UP B.O.P. STACK AND MANIFOLD.
08:00	14:30	6.5	RIG UP QUICK TEST AND TEST B.O.P.S AND CHOKE MANIFOLD, UPPER AND LOWER KELLY VALVES, 5,000, PIPERAMS, BLIND RAMS--5,000, HYDRILL 2,500, CHOKE MANIFOLD 5,000--T.I.W VALVE, INSIDE B.O.P. VALVE 5,000, 9--5/8" CSY 1,500 ALL TEST GOOD, HAD SOME TROUBLE WITH REMOTE CONTROL TO B.O.P. AND ONE AIR PUMP ON ACCUMULTOR, B.L.M. WAS ON LOCATION ALL THROUGH THE TESTING.
14:30	21:00	6.5	HELD SAFETY MEETING WITH CALIBER PICKUP CREW AND RIG CREW ON PICKING UP B.H.A. RIG UP CALIBER MACHINE AND PICKUP B.H.A. HAD SOME TROUBLE WITH FLAG POLE OF CALIBER, TAG UP ON CEMENT AT 2504, RIG CALIBER PICKUP MACHINE DOWN.
21:00	22:00	1.0	PICKUP KELLY IN STALL ROTARY HEAD RUBBER.
22:00	00:00	2.0	DRILL CEMENT FLOAT COLLAR AND SHOE, DRILL 15 FT OF FORMATION.
00:00	00:30	0.5	FIT TEST AT 2563, --500 PSI--8.3 MUD WT=12.0 E.M.M
00:30	06:00	5.5	DRILL FROM 2546 TO 2902, 12/15 K.28 VIS.8.6 WT, FULL RETURNS.

STARTED TO MUDDING UP AT 2563.

TWO FULL CREWS, BOTH CREWS HELD SAFETY MEETING.

TOTAL FUEL--4397, USED--346 GALS

NO ACCIDENTS.

06:00 18.0 SPUD 7 7/8" HOLE AT 00:30 HRS, 5/12/07.

05-13-2007      Reported By      DEMPSEY DAY/BRIAN DUTTON

Daily Costs: Drilling      \$51,393      Completion      \$0      Daily Total      \$51,393

Cum Costs: Drilling      \$350,406      Completion      \$5,000      Well Total      \$355,406

MD      4.775      TVD      4.775      Progress      1.873      Days      2      MW      8.9      Visc      29.0

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL FROM 2902 TO 3028, 12/15 K, 29 VIS, 8.9 WT.
08:00	08:30	0.5	WIRE LINE SURVEY AT 3028-1.12 DEG.
08:30	15:30	7.0	DRILL FROM 3028 TO 3678, 12/15K, 30 VIS, 9.0 WT
15:30	16:00	0.5	WIRE LINE SURVEY AT 3601-2.0 DEG
16:00	16:30	0.5	DRILL FROM 3678 TO 3774, 15/17K, 32 VIS, 9.2 WT.
16:30	17:00	0.5	LUBRICATE RIG, CHECK CROWN-O-MATIC.
17:00	20:30	3.5	DRILL FROM 3774 TO 4090, 14/16 K, 32 VIS, 9.4 WT.
20:30	21:00	0.5	WIRE LINE SURVEY AT 4015-2.05.
21:00	06:00	9.0	DRILL FROM 4090 TO 4775, 14/16 K, 31 VIS, 9.5 WT.

FULL CREWS.

NO ACCIDENTS.

DIESEL FUEL ON HAND 7893 GALS, USED 500 GALS.

SAFETY MEETING: RUNNING WIRE LINE SURVEYS.

LITHOLOGY: 30% SANDSTONE, 50% SHALE, 20% LIMESTONE, BGG 2800 - 3100 UNITS, CONN GAS 400 - 800 UNITS, HIGH GAS 5973 UNITS @ 3835'.

FORMATION TOPS: GREEN RIVER @ 1.896', MAHOGANY OIL SHALE BED @ 2.566', MIDDLE CARB BED @ 3.360'.

05-14-2007      Reported By      BRIAN DUTTON

Daily Costs: Drilling      \$29,101      Completion      \$0      Daily Total      \$29,101

Cum Costs: Drilling      \$379,508      Completion      \$5,000      Well Total      \$384,508

MD      5.918      TVD      5.918      Progress      1.143      Days      3      MW      9.6      Visc      32.0

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	18:30	12.5	DRILL FROM 4,775' TO 5,298' ( 523' @ 41.8 FPH ) , W.O.B. 15/20 K, ROT. 30-60, MUD MOTOR 71 RPM, 33 VIS, 10.0 WT., NO FLARE.
18:30	19:00	0.5	SERVICE RIG, GREASE CROWN, CHECK OIL IN MUD PUMPS, FUNCTION TEST PIPE RAMS AND CHECK CROWN -O- MATIC.
19:00	06:00	11.0	DRILL FROM 5,298' TO 5,918' ( 620' @ 56.3 FPH ) , W.O.B. 15/20 K, ROT. 30-60, MUD MOTOR 431GPM @ 69 RPM, 34 VIS, 10.2 WT., NO FLARE.

FULL CREWS.

NO ACCIDENTS.

DIESEL FUEL ON HAND 6895 GALS, USED 998 GALS.

SAFETY MEETING: JSA ON PIPE HANDLING PROCEDURES.

LITHOLOGY: 40% SANDSTONE, 25% SHALE, 35% RED SHALE, BGG 125 – 900 UNITS, CONN GAS 90 – 150 UNITS, HIGH GAS 6825 UNITS @ 4,846'.

FORMATION TOPS: GREEN RIVER @ 1,896', MAHOGANY OIL SHALE BED @ 2,566', MIDDLE CARB BED @ 3,360', UTTELAND BUTTE MD @ 4,730', WASATCH @ 4,898', CHAPITA WELLS 5,480'.

05-15-2007 Reported By BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$40,712	<b>Completion</b>	\$0	<b>Daily Total</b>	\$40,712
<b>Cum Costs: Drilling</b>	\$420,209	<b>Completion</b>	\$5,000	<b>Well Total</b>	\$425,209
<b>MD</b>	6,554	<b>TVD</b>	6,554	<b>Progress</b>	636
		<b>Days</b>	4	<b>MW</b>	10.2
<b>Visc</b>	34.0				
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>		<b>PKR Depth : 0.0</b>	

Activity at Report Time: SURVEY

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL FROM 5,918' TO 6,240' ( 322' @ 32.2 FPH ) , W.O.B. 15/20 K, ROT. 30-60, MUD MOTOR 431GPM @ 69 RPM, 35 VIS, 10.6 WT., NO FLARE.
16:00	17:00	1.0	PRESSURED UP, HELD 300 PSI AND WOULD NOT BLEED OFF, WORKED FREE ( HOLE NOT TIGHT ).
17:00	17:30	0.5	DRILL FROM 6,240' TO 6,249' ( 9' @ 18.0 FPH ) , W.O.B. 15/20 K, ROT. 30-60, MUD MOTOR 431GPM @ 69 RPM, 35 VIS, 10.7 WT., NO FLARE.
17:30	18:00	0.5	SERVICE RIG, GREASE CROWN, CHECK OIL IN MUD PUMPS, FUNCTION TEST ANNULAR AND CHECK CROWN -O- MATIC.
18:00	04:30	10.5	DRILL FROM 6,249' TO 6,554' ( 305' @ 29.0 FPH ) , W.O.B. 15/20 K, ROT. 30-60, MUD MOTOR 431GPM @ 69 RPM, 36 VIS, 10.8 WT., NO FLARE.
04:30	05:30	1.0	CIRCULATE FOR BOTTOMS UP.
05:30	06:00	0.5	DROP SURVEY DEPTH @ 6,509', PUMP PILL.

FULL CREWS.

NO ACCIDENTS.

DIESEL FUEL ON HAND 5644 GALS, USED 1251 GALS.

SAFETY MEETING: INSPECTING ALL TOOLS AND EQUIPMENT PRIOR TO TRIP.

LITHOLOGY: 40% SANDSTONE, 40% SHALE, 20% SHALE, BGG 180 – 280 UNITS, CONN GAS 500 – 800 UNITS, HIGH GAS 9123 UNITS @ 5,832'.

FORMATION TOPS: GREEN RIVER @ 1,896', MAHOGANY OIL SHALE BED @ 2,566', MIDDLE CARB BED @ 3,360', UTTELAND BUTTE MD @ 4,730', WASATCH @ 4,898', CHAPITA WELLS 5,480', BUCK CANYON @ 6,160'.

05-16-2007 Reported By BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$74,619	<b>Completion</b>	\$0	<b>Daily Total</b>	\$74,619
<b>Cum Costs: Drilling</b>	\$494,803	<b>Completion</b>	\$5,000	<b>Well Total</b>	\$499,803
<b>MD</b>	7,383	<b>TVD</b>	7,383	<b>Progress</b>	829
		<b>Days</b>	5	<b>MW</b>	10.6
<b>Visc</b>	38.0				
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>		<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	TRIP OUT OF HOLE @ 6,554' WITH BIT #1.
10:30	11:30	1.0	L/D ROLLER REAMERS, CHANGE BIT AND MUD MOTOR.
11:30	14:30	3.0	TRIP IN HOLE WITH BIT #2 FILLING PIPE @ 4,035'.

14:30 06:00 15.5 WASH/REAM F/6,509' TO 6,554' ( 15' OF FILL ).  
 15:00 15:30 0.5 SERVICE RIG, GREASE CROWN, CHECK OIL IN MUD PUMPS, FUNCTION CHECK CROWN -O- MATIC ( FUNCTION TEST BLIND RAMS ON TRIP ).  
 15:30 06:00 14.5 DRILL FROM 6,554' TO 7,383' ( 829' @ 57.1 FPH ), W.O.B. 15/20 K, ROT. 30-60, MUD MOTOR 431GPM @ 69 RPM, 37 VIS, 11.1 WT., NO FLARE.

FULL CREWS.

NO ACCIDENTS.

DIESEL FUEL ON HAND 4921 GALS, USED 723 GALS.

SAFETY MEETING: SAFETY MEETING ON CLEAN THREADS ON TUBULARS.

LITHOLOGY: 70% SANDSTONE, 20% SHALE, 10% SLTSTN, BGG 200 - 380 UNITS, CONN GAS 300 - 800 UNITS, TRIP GAS 2639 UNITS @ 6554, HIGH GAS 1816 UNITS @ 7,151'.

FORMATION TOPS: GREEN RIVER @ 1,896', MAHOGANY OIL SHALE BED @ 2,566', MIDDLE CARB BED @ 3,360', UTTELAND BUTTE MD @ 4,730', WASATCH @ 4,898', CHAPITA WELLS 5,480', BUCK CANYON @ 6,160', NORTH HORN @ 6,720', KMV PRICE RIVER @ 7,267'.

05-17-2007 Reported By BRIAN DUTTON/JOHN JULIAN

Daily Costs: Drilling	\$38,197	Completion	\$0	Daily Total	\$38,197
Cum Costs: Drilling	\$533,000	Completion	\$5,000	Well Total	\$538,000

MD	7.575	TVD	7.575	Progress	192	Days	6	MW	11.1	Visc	39.0
----	-------	-----	-------	----------	-----	------	---	----	------	------	------

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: RUNNING 4.5" CSG

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL ROTATE, 7383-7575, WOB 15-20, RPM 45, SPP 2100, ROP64 FPH, MUD WT 11.1, VIS 39 NO FLARE, BCK GROUND GAS 700. REACHED TD @ 09:00 HRS, 5/16/07.
09:00	12:00	3.0	CIRCULATE FOR SHRT TRIP.
12:00	13:00	1.0	WIPER TRIP/SHORT TRIP, 15 STDS, HOLE IN GOOD SHAPE
13:00	18:00	5.0	CIRCULATE FOR LAY DOWN , WAIT ON WEATHERFORD
18:00	18:30	0.5	SM WITH WEATHERFORD, RIG UP LAY DOWN MACHINE, PUMP PILL,
18:30	01:30	7.0	LD/PU DRILL PIPE BRK KELLY, PILL ROTATING HEAD RUBBER, LD BHA
01:30	02:00	0.5	PULL WEAR BUSHING
02:00	06:00	4.0	SM WITH CSG CREW, RIG UP CSG CREW, MAKE UP SHOE, SHOE JT AND FLOAT COLLAR, RUN CSG HAVE 72 JTS IN HOLE, 105 JTS LEFT TO RUN

SHRT TRIP GAS 3000 UNITS, MUD WT 11.2, VIS 39

NO ACCIDENTS,

FULL CREWS

COM CK X2

SFTY MTG JSARO-9, LDDP, RUN CSG

FUEL ON HAND 4046, USED 875

05-18-2007 Reported By JOHN JULIAN

<b>Daily Costs: Drilling</b>	\$61,697	<b>Completion</b>	\$112,017	<b>Daily Total</b>	\$173,714
<b>Cum Costs: Drilling</b>	\$594,698	<b>Completion</b>	\$117,017	<b>Well Total</b>	\$711,715
<b>MD</b>	7.575	<b>TVD</b>	7.575	<b>Progress</b>	0
		<b>Days</b>	7	<b>MW</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RUN 177 JTS 4.5", 11.60, N-80 CSG, SHOE@ 7567, FLOAT COLLAR @ 7524, MARKER JTS @ 7208, 4475.
09:00	11:00	2.0	RIG DOWN CSG CREW & LAYDOWN, CIRC CSG, SFTY MTG WITH SCHLUMBERGER AND RIG UP
11:00	15:00	4.0	CMT, PRESSURE TEST LINES TO 5000#. PUMP 20 BBL CHEMICAL WASH, FOLLOWED BY 20 BBL FRESH WTR, 280 SKS LEAD "G" 144.6 BBL, 11.5#, YEILD 2.98, WITH 10% EXTENDER, .2% ANTIFOAM, .5% RETRDER, .2% FLUID LOSS, .125% LOST CIRC, .5% DISPERANT FOLLOWED BY TAIL, 930SX, 214BBL, 14.1# 50/50 BLEND, YEILD 1.29, WITH 2% EXTENDER, .1% ANTIFOAM, .2% DISPERANT, .2% FLUID LOSS, 1.0% ACCELATOR, DISPLACED WITH 2GAL/1000LO64, WTR, 120 BBL, BUMPED PLUG, FLOATS HELD, BLEED BACK 1.5 BBL, HAD FULL RETURNS THROUGH OUT JOB
15:00	18:00	3.0	RIG DOWN CMTRS, NIPPLE DOWN BOP, LAY DOWN LANDING JT, HAUL OFF MUD
18:00	20:00	2.0	CLEAN MUD TANKS.
20:00	06:00	10.0	RIG DOWN GET READY FOR TRKS.

I ACCIDENT, VANCE RIKER CUT FINGER SHARPING KNIFE

FULL CREWS

SFTY MTG, CEMENTING, RIGGING DOWN

FUEL ON HAND 3706, USED 340

WILL HAVE SOME TRKS TODAY, AND GET FULL AMOUNT TRKS TOM AM

06:00 18.0 RELEASED RIG AT 20:00 HRS, 5/17/07.

CASING POINT COST \$594,698

05-25-2007 Reported By SEARLE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$39,228	<b>Daily Total</b>	\$39,228
<b>Cum Costs: Drilling</b>	\$594,698	<b>Completion</b>	\$156,245	<b>Well Total</b>	\$750,943
<b>MD</b>	7.575	<b>TVD</b>	7.575	<b>Progress</b>	0
		<b>Days</b>	8	<b>MW</b>	0.0
<b>Formation :</b>		<b>PBTD : 7524.0</b>		<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 670'. EST CEMENT TOP @ 1100'. RD SCHLUMBERGER.

06-09-2007 Reported By MCCURDY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,045	<b>Daily Total</b>	\$2,045
<b>Cum Costs: Drilling</b>	\$594,698	<b>Completion</b>	\$158,290	<b>Well Total</b>	\$752,988
<b>MD</b>	7.575	<b>TVD</b>	7.575	<b>Progress</b>	0
		<b>Days</b>	9	<b>MW</b>	0.0
<b>Formation :</b>		<b>PBTD : 7524.0</b>		<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
09:00	10:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

06-13-2007 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$4,105	Daily Total	\$4,105
Cum Costs: Drilling	\$594,698	Completion	\$162,395	Well Total	\$757,093

MD	7.575	TVD	7.575	Progress	0	Days	9	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	---	----	-----	------	-----

Formation : WASATCH	PBTD : 7524.0	Perf : 6870'-7286'	PKR Depth : 0.0
---------------------	---------------	--------------------	-----------------

Activity at Report Time: PREP TO FRAC

Start	End	Hrs	Activity Description
13:00	15:00	2.0	SICP 0 PSIG. RU CUTTERS WL. PERFORATED NORTH HORN FROM 7285'-86', 7274'-75', 7254'-55', 7217'-18', 7148'-49', 7126'-27', 7119'-20', 7101'-02', 7076'-77', 6987'-88', 6944'-45', 6889'-90', 6881'-82' AND 6870'-71' @ 3 SPF & 120° PHASING. RDWL. SDFN.

06-14-2007 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$193,987	Daily Total	\$193,987
Cum Costs: Drilling	\$594,698	Completion	\$356,382	Well Total	\$951,080

MD	7.575	TVD	7.575	Progress	0	Days	10	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation : WASATCH	PBTD : 7524.0	Perf : 5657-7286	PKR Depth : 0.0
---------------------	---------------	------------------	-----------------

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	14:00	8.0	SICP 550 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 250 GAL 7-1/2% HCL, 4946 GAL YF123ST+ PAD, 41128 GAL YF123ST+ & YF118ST+ WITH 123000# 20/40 SAND @ 1-6 PPG. MTP 4792 PSIG. MTR 41.3 BPM. ATP 3804 PSIG. ATR 38.5 BPM. ISIP 2530 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6615'. PERFORATED Ba FROM 6591'-92', 6569'-70', 6564'-65', 6554'-55', 6537'-38', 6523'-24', 6504'-05', 6473'-74', 6465'-66', 6429'-30', 6410'-11', 6398'-99', 6387'-88' AND 6377'-78' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 2507 GAL YF118ST+ PAD, 21055 GAL YF118ST+ WITH 53400# 20/40 SAND @ 1-6 PPG. MTP 6286 PSIG. MTR 40.3 BPM. ATP 4144 PSIG. ATR 35.8 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6330'. PERFORATED Ba/Ca FROM 6306'-07', 6292'-93', 6281'-82', 6272'-73', 6224'-25', 6212'-13', 6193'-94', 6183'-84', 6173'-74', 6165'-66', 6155'-56' AND 6119'-20' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 2496 GAL YF118ST+ PAD, 20646 GAL YF118ST+ WITH 54000# 20/40 SAND @ 1-6 PPG. MTP 4703 PSIG. MTR 40.4 BPM. ATP 3103 PSIG. ATR 35.8 BPM. ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6010'. PERFORATED Ca FROM 5986'-88', 5956'-58', 5951'-53', 5947'-48', 5943'-44', 5938'-40' AND 5921'-23' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 4162 GAL YF125ST+ PAD, 31706 GAL YF125ST+ WITH 114800# 20/40 SAND @ 1-8 PPG. MTP 2829 PSIG. MTR 30.4 BPM. ATP 2501 PSIG. ATR 29.0 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 5870'. PERFORATED Ca FROM 5838'-42', 5835'-36', 5830'-31' AND 5821'-25' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 4189 GAL YF125ST+ PAD, 32351 GAL YF125ST+ WITH 116800# 20/40 SAND @ 1-8 PPG. MTP 3169 PSIG. MTR 30.3 BPM. ATP 2596 PSIG. ATR 24.2 BPM. ISIP 1850 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 5680'. PERFORATED Ca FROM 5657'-58', 5649'-50', 5643'-44', 5616'-17', 5600'-01', 5585'-88', 5581'-82', 5574'-75', 5568'-69' AND 5560'-61' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 4189 GAL YF125ST+ PAD, 33947 GAL YF125ST+ WITH 127000# 20/40 SAND @ 1-8 PPG. MTP 3684 PSIG. MTR 30.4 BPM. ATP 3420 PSIG. ATR 28.7 BPM. ISIP 2530 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP @ 5540'. BLEED OFF PRESSURE. RDWL. SDFN.

06-16-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$21,894	Daily Total	\$21,894
Cum Costs: Drilling	\$594,698	Completion	\$378,276	Well Total	\$972,974
MD	7.575	TVD	7.575	Progress	0
Days	11	MW	0.0	Visc	0.0

Formation : WASATCH PBT D : 7524.0 Perf : 5821-7286 PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	16:00	10.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/HURRICANE MILL & PUMP OFF BIT SUB TO CBP @ 5540'. SDFW.

06-19-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$46,189	Daily Total	\$46,189
Cum Costs: Drilling	\$594,698	Completion	\$424,465	Well Total	\$1,019,163
MD	7.575	TVD	7.575	Progress	0
Days	12	MW	0.0	Visc	0.0

Formation : WASATCH PBT D : 7524.0 Perf : 5821-7286 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @' 5540', 5680', 5870', 6010', 6330' & 6615'. RIH. CLEANED OUT TO PBT D @ 7524'. LANDED TBG AT 6711' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 16 HRS. 48/64" CHOKE. FTP 0 PSIG. CP 800 PSIG. 40 BFPH. RECOVERED 594 BLW. 3504 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# J-55 TBG 31.35'  
 XN NIPPLE 1.10'  
 212 JTS 2-3/8" 4.7# J-55 TBG 6665.95'  
 BELOW KB 12.00'  
 LANDED @ 6711.40' KB

06-20-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$2,620	Daily Total	\$2,620
Cum Costs: Drilling	\$594,698	Completion	\$427,085	Well Total	\$1,021,783
MD	7.575	TVD	7.575	Progress	0
Days	13	MW	0.0	Visc	0.0

Formation : WASATCH PBT D : 7524.0 Perf : 5821-7286 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 48/64" CHOKE. FTP 0 PSIG. CP 1850 PSIG. 15 BFPH. RECOVERED 505 BLW. 2999 BLWTR.

06-21-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$2,570	Daily Total	\$2,570
Cum Costs: Drilling	\$594,698	Completion	\$429,655	Well Total	\$1,024,353
MD	7.575	TVD	7.575	Progress	0
Days	14	MW	0.0	Visc	0.0

Formation : WASATCH PBT D : 7524.0 Perf : 5821-7286 PKR Depth : 0.0

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 16 HRS. 48/64" CHOKE. FTP 0 PSIG. CP 2100 PSIG. 5 BFPH. RECOVERED 80 BLW. 2919 BLWTR. WELL LOGGED OFF @ 3 PM. SI TO BUILD PRESSURE.

06-22-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$2,570	Daily Total	\$2,570
Cum Costs: Drilling	\$594,698	Completion	\$432,225	Well Total	\$1,026,923
MD	7.575	TVD	7.575	Progress	0
Days	15	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7524.0	Perf : 5821-7286	PKR Depth : 0.0		

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 23 HRS. 32/64" CHOKE. FTP 500 PSIG. CP 1000 PSIG. 28 BFPH. RECOVERED 659 BLW. 2260 BLWTR.

06-23-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$2,570	Daily Total	\$2,570
Cum Costs: Drilling	\$594,698	Completion	\$434,795	Well Total	\$1,029,493
MD	7.575	TVD	7.575	Progress	0
Days	16	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7524.0	Perf : 5821-7286	PKR Depth : 0.0		

**Activity at Report Time: WO FACILITIES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 450 PSIG. CP 950 PSIG. 4 BFPH. RECOVERED 262 BLW. 1998 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 6/22/07

07-09-2007 Reported By DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$594,698	Completion	\$434,795	Well Total	\$1,029,493
MD	7.575	TVD	7.575	Progress	0
Days	17	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7524.0	Perf : 5821-7286	PKR Depth : 0.0		

**Activity at Report Time: INITIAL PRODUCTION-ON SALES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	7/8/07 INITIAL PRODUCTION. OPENING PRESSURE: TP 1500 & CP 1900 PSI. TURNED WELL TO QUESTAR SALES AT 10:30 AM, 7/7/07. FLOWED 876 MCFD RATE ON 12/64" POS CHOKE. STATIC 266.

7/9/07 FLOWED 828 MCF, 5 BC &amp; 68 BW IN 24 HRS ON 12/64" CK, TP 1400 &amp; CP 1675 PSIG.

07-10-2007 Reported By ROGER DART

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$594,698	Completion	\$434,795	Well Total	\$1,029,493
MD	7.575	TVD	7.575	Progress	0
Days	18	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7524.0	Perf : 5821-7286	PKR Depth : 0.0		

**Activity at Report Time: ON SALES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 832 MCF, 3 BC & 41 BW IN 24 HRS ON 12/64" CK, TP 1350 & CP 1550 PSIG.



**07-11-2007      Reported By      ROGER DART**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$594,698	<b>Completion</b>	\$434,795	<b>Well Total</b>	\$1,029,493

<b>MD</b>	7.575	<b>TVD</b>	7.575	<b>Progress</b>	0	<b>Days</b>	19	<b>MW</b>	0.0	<b>Visc</b>	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

<b>Formation : WASATCH</b>	<b>PBTD : 7524.0</b>	<b>Perf : 5821-7286</b>	<b>PKR Depth : 0.0</b>
----------------------------	----------------------	-------------------------	------------------------

**Activity at Report Time: ON SALES**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 851 MCF, 7 BC & 41 BW IN 24 HRS ON 12/64" CK. TP 1325 & CP 1500 PSIG.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No. <b>U-0343</b>									
6. If Indian, Allottee or Tribe Name									
7. Unit or CA Agreement Name and No. <b>Chapita Wells Unit</b>									
8. Lease Name and Well No. <b>Chapita Wells Unit 712-07</b>									
9. AFI Well No. <b>43-047-38062</b>									
10. Field and Pool, or Exploratory <b>Natural Buttes/Wasatch</b>									
11. Sec., T., R., M., on Block and Survey or Area <b>Sec. 7-T9S-R23E</b>									
12. County or Parish <b>Uintah County</b>	13. State <b>UT</b>								
17. Elevations (DF, RKB, RT, GL)* <b>4861' NAT GL</b>									
14. Date Spudded <b>03/03/2007</b>	15. Date T.D. Reached <b>05/16/2007</b>	16. Date Completed <b>07/07/2007</b> <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.							
18. Total Depth: MD <b>7575</b> TVD		19. Plug Back T.D.: MD <b>7524</b> TVD	20. Depth Bridge Plug Set: MD TVD						
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) <b>RST/CBL/CCCL/VDL/GR</b>		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)							
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2546		680 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-7569		1210 sx			
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	6711								
25. Producing Intervals									
Formation		Top	Bottom	Perforation Record		Size	No. Holes	Perf. Status	
A) Wasatch		5560	7286	6870-7286			3/spf		
B)				6377-6592			2/spf		
C)				6119-6307			3/spf		
D)				5921-5988			3/spf		
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval		Amount and Type of Material							
6870-7286		250 GALS HCL; 46,239 GALS GELLED WATER & 123,000# 20/40 SAND							
6377-6592		250 GALS HCL; 23,562 GALS GELLED WATER & 53,400# 20/40 SAND							
6119-6307		250 GALS HCL; 23,142 GALS GELLED WATER & 54,000# 20/40 SAND							
5921-5988		250 GALS HCL; 35,868 GALS GELLED WATER & 114,800# 20/40 SAND							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/07/2007	07/13/2007	24	→	1	721	43			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64"	SI 1250	1425	→	1	721	43		PRODUCING GAS WELL	
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	SI		→						

\*(See instructions and spaces for additional data on page 2)

RECEIVED

JUL 18 2007

DIV. OF OIL, GAS &amp; MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

## 29. Disposition of Gas (Sold, used for fuel, vented, etc.)

**SOLD**

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Wasatch	5560	7286		Wasatch Chapita Wells Buck Canyon Price River	4906 5509 6171 7306

## 32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

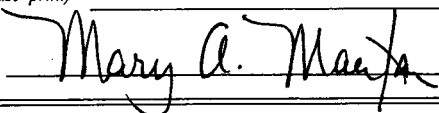
## 33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)   
 ☐ Geologic Report   
 ☐ DST Report   
 ☐ Directional Survey  
☐ Sundry Notice for plugging and cement verification   
 ☐ Core Analysis   
 ☐ Other:

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) **Mary A. Maestas**Title **Regulatory Assistant**

Signature

Date **07/16/2007**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Chapita Wells Unit 712-7 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

5821-5842	3/spf
5560-5658	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

5821-5842	250 GALS HCL; 36,540 GALS GELLED WATER & 116,800# 20/40 SAND
5560-5658	250 GALS HCL; 38,136 GALS GELLED WATER & 127,000# 20/40 SAND

Perforated the North Horn from 6870-6871', 6881-6882', 6889-6890', 6944-6945', 6987-6988', 7076-7077', 7101-7102', 7119-7120', 7126-7127', 7148-7149', 7217-7218', 7254-7255', 7274-7275' & 7285-7286' w/ 3 spf.

Perforated the Buck Canyon from 6377-6378', 6387-6388', 6398-6399', 6410-6411', 6429-6430', 6465-6466', 6473-6474', 6504-6505', 6523-6524', 6537-6538', 6554-6555', 6564-6565', 6569-6570' & 6591-6592' w/ 2 spf.

Perforated the Buck Canyon/Chapita Wells from 6119-6120', 6155-6156', 6165-6166', 6173-6174', 6183-6184', 6193-6194', 6212-6213', 6224-6225', 6272-6273', 6281-6282', 6292-6293' & 6306-6307' w/ 3 spf.

Perforated the Chapita Wells from 5921-5923', 5938-5940', 5943-5944', 5947-5948', 5951-5953', 5956-5958' & 5986-5988' w/ 3 spf.

Perforated the Chapita Wells from 5821-5825', 5830-5831', 5835-5836' & 5838-5842' w/ 3 spf.

Perforated the Chapita Wells from 5560-5561', 5568-5569', 5574-5575', 5581-5582', 5585-5588', 5600-5601', 5616-5617', 5643-5644', 5649-5650' & 5657-5658' w/ 3 spf.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 712-7

API number: \_\_\_\_\_

Well Location: QQ LOT2 Section 7 Township 9S Range 23E County UINTAH

Well operator: EOG Resources, Inc.

Address: 1060 E Highway 40

city Vernal state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIG'S ROUSTABOUT SERVICE

Address: PO BOX 41

city Jensen state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,970	2,000	NO FLOW	NOT KNOWN

Formation tops:      1 \_\_\_\_\_      2 \_\_\_\_\_      3 \_\_\_\_\_  
(Top to Bottom)      4 \_\_\_\_\_      5 \_\_\_\_\_      6 \_\_\_\_\_  
                             7 \_\_\_\_\_      8 \_\_\_\_\_      9 \_\_\_\_\_  
                             10 \_\_\_\_\_      11 \_\_\_\_\_      12 \_\_\_\_\_

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 7/16/2007



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155



IN REPLY REFER TO  
3180  
UT-922

EOG Resources, Inc.  
Attn: Debbie Spears  
600 Seventeenth Street, Suite 1000N  
Denver, CO 80202

July 23, 2008

Re: 5th Revision to the Consolidated  
Wasatch Formation PA "B-C-D-E-F"  
Chapita Wells Unit  
Uintah County, Utah

Gentlemen:

The 5th Revision of the Consolidated Wasatch Formation PA "B-C-D-E-F", Chapita Wells Unit, CRS No. UTU63013AE, AFS No. 892000905AE, is hereby approved effective as of July 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The 5th Revision of the Consolidated Wasatch Formation PA "B-C-D-E-F" results in the addition of 155.84 acres to the participating area for a total of 13,668.21 acres and is based upon the completion of the following wells as capable of producing unitized substances in paying quantities:

*To 4905*

WELL NO.	API NO.	LOCATION	LEASE NO.
CWU713-07	43-047-38080	NW $\frac{1}{4}$ SW $\frac{1}{4}$ , 7-9S-23E	UTU0343
CWU712-07	43-047-38062	SW $\frac{1}{4}$ NW $\frac{1}{4}$ , 7-9S-23E	UTU0343

*from*

*15968*

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 5th Revision of the Consolidated Wasatch Formation PA "B-C-D-E-F", Chapita Wells Unit, and the effective date.

Sincerely,

*/s/ Becky J. Hammond*

Becky J. Hammond  
Chief, Branch of Fluid Minerals

Enclosure

**RECEIVED**

**JUL 28 2008**

**DIV. OF OIL, GAS & MINING**

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES  
Address: 1060 East Highway 40  
city VERNAL  
state UT zip 84078

Operator Account Number: N 9550  
Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38080	CHAPITA WELLS UNIT 713-07		NWSW	7	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15940	4905	2/9/2007		7/1/2007		
Comments: <u>WSTC</u> — <u>8/26/08</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38062	CHAPITA WELLS UNIT 712-07		SWNW	7	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15968	4905	3/3/2008		7/1/2007		
Comments: <u>WSTC</u> — <u>8/26/08</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38320	CHAPITA WELLS UNIT 1218-02		NWNE	2	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16113	13650	5/9/2007		7/1/2007		
Comments: <u>MVRD</u> — <u>8/26/08</u>							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

8/21/2008

Title

Date

(5/2000)

**RECEIVED**

AUG 21 2008

DIV. OF OIL, GAS & MINING